Michael O. Leavitt Governor Ted Stewart Executive Director James W. Carter

1594 West North Temple, Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) Division Director 801-538-7223 (TDD)

September 16, 1997

**CERTIFIED P 074 977 342** Karen A. Melfi, Asst. Vice President Land-Governmental Affairs Summo USA Corporation 900 Denver Center Building 1776 Lincoln Street Denver, Colorado 80203

Re:

Lisbon Valley Copper Project-Reclamation Surety and Contract,

M/037/088, San Juan County, Utah

Dear Ms. Melfi:

Pursuant to your July 16, 1997 correspondence with the Division of Oil, Gas and Mining proposing to change the terms of surety for the above mine to those enumerated in the "Certified Copy of Resolution," I am writing to inform you that such changes can only be accomplished at a hearing of the Board of Oil, Gas and Mining after appropriate notice. My staff had hoped to find a means to accomplish your desired change without notice and hearing, but no remedy within the Utah Mined Land Reclamation Act was found to accomplish this.

This matter could be heard before the regularly scheduled Board of Oil, Gas and Mining hearing set for December 10, 1997, given prompt publication of your desire to revise the permit per the terms of the "Certified Copy of Resolution."

Should you wish to proceed with a permit revision as contemplated in the "Certified Copy of Resolution," please notify Wayne Hedberg, Permit Supervisor or Mary Ann Wright, Associate Director of Mining at the above address.

Sincerely,

Lowell P. Braxton

Acting Director

dr

cc: M. Wright

W. Hedberg

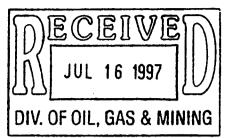
D. Moquin, Esq.

p:mist

## SUMMO USA CÒRPORATION

900 DENVER CENTER BUILDING 1776 LINCOLN STREET, DENVER, COLORADO 80203 TELEPHONE: 303/861-5400 FAX: 303/863-1736 M/037/088

July 16, 1997



## VIA FACSIMILE

Mr. Anthony A. Gallegos
Sr. Reclamation Specialist
State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114-5801

Re: Lisbon Valley Project - Reclamation Contract

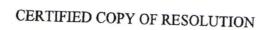
Dear Tony:

[SEAL]

In follow-up to our telephone conference this morning, I believe the following will satisfy certain concerns raised by your office.

First, a copy of an instrument titled, "Certified Copy of Resolution", is attached which authorizes Gregory A. Hahn to sign instruments on behalf of Summo USA Corporation, as Manager of Lisbon Valley Mining Co. LLC. Second, George Reeves has provided the following signature block and acknowledgment language for your use on the new signature page. It is our understanding that this new page will eliminate the need for a formal transfer of the permit from Summo USA Corporation to Lisbon Valley Mining Co. LLC.

STATE OF COLORADO	)	
City and County of Denver	) ss: )	
1997, by Gregory A. Hahn, a corporation, the corporation	nent was acknowledged before me this day of s the President of Summo USA Corporation, a Colorado named in and that executed the foregoing instrument, on be f Lisbon Valley Mining Co. LLC.	half of
	Notary Public	. ,
•	Residing at	
My Commission Expires:		



At a regular/special meeting of the Board of Directors of Summo USA Corporation ("Company") duly called and held on the 16<sup>th</sup> day of July, 1997, a quorum being present, the following Resolution was adopted:

WHEREAS, this Company is materially interested in the transaction(s) in which (1) Summo Minerals Corporation, Summo USA Corporation, Lisbon Valley Mining Company LLC, St. Mary Minerals Inc. and St. Mary Land & Exploration Company has applied or will apply to Surety for bond(s) or undertaking(s); and

"WHEREAS, Surety has executed or is willing to consider the execution of such bond(s) or undertaking(s), as Surety, upon being furnished with the written indemnity of this Company; THEREFORE, BE IT RESOLVED, THAT (2) Gregory A. Hahn, President of the Company be and hereby is (are) authorized to execute on behalf of the Company for itself and as Manager of Lisbon Valley Mining Co. LLC, any agreement or agreements of Indemnity required by Surety as a prerequisite to the execution by it of the Bond(s) or undertaking(s) for (1) Summo USA Corporation, Lisbon Valley Mining Company LLC in connection with the matter(s) and transaction(s) described in the agreement of Indemnity required by said Surety, and the proper attesting officer of the Company be and hereby is authorized to affix the corporate seal to such agreement or agreements of Indemnity and subscribe his/her name thereto, attesting the same."

I, <u>Michael A. Charneskie</u>, Secretary of Summo USA Corporation have compared the foregoing Resolution with the original thereof, as recorded in the Minute Book of said Company, and do certify that the same is a correct and true transcript therefrom and of the whole of said original Resolution.

Secretary